# **International Marketing**

Safeguarding and expanding international markets for Michigan products are keys to growing our \$63.7-billion-agriculture industry and state economy. Michigan exports about one-third of its 200 agricultural commodities each



year. In 2007, agricultural exports generated more than \$1.236 billion-up from \$1 billion in 2006-and supported 12,788 jobs. (Source: U.S. Department of Agriculture)

# **Successes**

- Two Michigan food and agriculture companies saw an estimated \$187,500 in export sales while participating in the Michigan Pavilion at the 2008 U.S. Food Export Showcase. (Source: Compiled from participant surveys)
- Four Michigan food and agriculture companies estimated \$1,595,000 in export sales while participating in the Michigan Pavilion at the 2008 American Food Fair at the National Restaurant Association Show. (Source: Compiled from participant surveys)
- Michigan companies participating in the SIAL Paris Show in October 2008 reported a potential to increase sales over the next two years by \$2.2 million. (Source: Compiled from participant surveys)
- The Midwest Buyers Mission held July, 2008 in Michigan brought 12 Michigan companies together with 20 international buyers. The Michigan companies reported anticipated new export sales of over \$200,000 during the next 6-12 months from the one-on-one meetings. (Source: Compiled from participant surveys)
- Held two seminars focusing on the basics of exporting and the Canadian market to increase Michigan exports. 57 participants from 33 Michigan companies attended the seminar.
- The 2007 Michigan Agricultural Exporter of the Year was awarded to Honee Bear Canning of Lawton. Honee Bear began exporting more than 30 years ago and is still activity pursuing new markets for their products.
  - U.S. Department of Agriculture Market Access Program:
    - Branded Program & Generic Program: (2007): Michigan's 57 participating companies, received reimbursement for international marketing activities and participated in trade missions, trade shows, and buyers missions. These companies had actual increased export sales of \$20.3 million and projected increase in export sales of \$26.9 million. The companies added 39 new employees because of the exports and 20 companies made their first export sales in a new market. (Source: Food Export Association of the Midwest-2008 figures available in May 2009)

# Fiscal Year 2009 Goals

- Continue activities to maintain Michigan's top three export markets for agricultural products (Canada, Japan and Mexico) through trade shows, trade missions, and buyers' missions.
- Conduct new marketing activities into growing markets such as Central America, Caribbean, South East Asia, and others.
- Plan and implement educational seminars to educate Michigan companies on export opportunities in various markets around the world.



# Food Export-Midwest Food Export-Northeastern states, we

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and agricultural companies in these regions with ses and support to help export their products internationally

# Food Export Helpline™

This free service provides Midwestern and Northeastern companies with customized, one-on-one assistance on a wide variety of export-related topics including a product's top 25 market report.

# **Export Essentials**

This service is an educational introduction to the fundamentals and logistics of exporting.

## AgExportLinks

AgExportLinks is a free, nationwide database of qualified, export service providers.

# Entry

# **Buyers Missions**

Buyers Missions bring qualified, international buyers to the U.S. to meet with U.S. suppliers. Participating companies meet one-on-one with these buyers to make potential business connections and gain important feedback about their product's exporting potential.

## Food Show PLUS!™

Food Show PLUS!™ is a tradeshow enhancement service that provides assistance to U.S. suppliers to be a more prepared and effective exhibitor. The program is customized per tradeshow but may include competitive product research, on-site interpreters, translation of marketing materials, one-on-one buyer meetings, local retailer tours, and assistance with qualifying top leads.

### Focused Trade Missions

Focused Trade Missions bring a group of U.S. suppliers to a country to learn first-hand about the market and meet face-to-face with local buyers. It's an organized trip with services that help navigate a different culture and assist with business meetings.

# Online Product Catalog

This web-based catalog is an effective way to promote your products to international buyers from around the world. By including your products in this virtual directory, buyers will easily be able to locate your company when searching by product, company name, or other criteria.

### MarketBuilder

This customized package of services helps U.S. suppliers find the right market and buyer for their products through importer feedback on their products, competitive market research and importation analysis, distributor referrals and importer lists, and assistance with in-market meetings.

# Promotion

## **Branded Program**

This cost-share funding program provides financial assistance to help U.S. food and agricultural exporters promote their products in international markets. Participants in this program receive 50 percent cost reimbursement for a variety of approved overseas marketing and promotional expenses.

## In-Market Promotions

Food Export-Midwest and Food Export-Northeast sponsor in-store or on-site promotions around the world that promote Midwestern and Northeastern food and agricultural products.





# Agriculture in Michigan contributes over \$65 billion annually to the state's

Agriculture in Michigan contributes over \$63 billion annually to the state's economy, making it the second-largest industry. Production agriculture, food processing, and related businesses employ about one million Michigan residents. The state also produces over 200 commodities on a commercial basis, making the state second only to California in agricultural diversity.

Michigan's agricultural exports generate more than \$1 billion annually and support over 12,000 jobs. The top agricultural exports are soybeans and products, feed grains and products, fruits, and vegetables. Michigan's top trading partners include Canada, Japan, Mexico, South Korea, Thailand, and Taiwan, but the state's products can be found around the world. The state is also ranked second nationally for exports of dry edible beans and fifth and eighth, respectively for fruits and vegetables.

The Michigan Department of Agriculture's (MDA) International Market Development Program provides services and implements activities that help Michigan food and agricultural firms tap into or expand into international markets. Programs and services offered by the MDA are open to all Michigan producers, processors, and packagers of all sizes and experience levels.

# Online Export Directory

The International Market Development Program maintains an up-to-date directory of Michigan companies that produce food and agricultural products. The directory is available online for international buyers at www.mdainternational.com.

# Michigan Pavilions

Pavilions are offered at various domestic and international shows during the year. Michigan companies can exhibit in these pavilions at a reduced rate.

# **Export Assistance**

MDA staff provides assistance to individuals and businesses in evaluating foreign market entry methods, understanding and obtaining regulatory requirements, finding qualified buyers, understanding logistics, and much more.

# Other Funding Sources

MDA staff can discuss other state and federal programs that may be available to develop and implement export market development programs at your firm.

# Michigan Company Makes Sweet Deals Through MDA and Food Export—Midwest Activities

HoneyTree, a manufacturer and food processor based in Onsted, has been a part of the honey industry for 90 years. HoneyTree has participated in MDA and Food Export–Midwest activities, which has helped to expand their exports. While participating in the Michigan Pavilion at the U.S. Food Export Showcase, HoneyTree was able to find a buyer from the UAE, who made a significant purchase in 2008 and is expected to reorder in 2009. The Midwest Buyers Mission gained HoneyTree a buyer from Vietnam that placed a test order. Chris Olney, from HoneyTree commented, "We are pleased with the quality of buyers during the meeting and the activities have generated a lot of business contacts and future prospects."

# Working Hand-in-Hand to Help You Reach the World

Food Export-Midwest and Food Export-Northeast are non-profit organizations composed of 22 Midwestern and Northeastern state agricultural promotion agencies. They utilize federal, state, and industry resources to help companies export their products around the world and increase international product sales. The state agricultural promotion agencies work with Food Export–Midwest and Food Export–Northeast in planning, promotion, and project management during the year on activities such as the Branded Program, Buyers Missions, Trade Missions, and tradeshows. Companies from the 22 states have access to Food Export-sponsored tradeshows and Trade Missions, as well as the Branded Program for international marketing efforts. Companies are also able to participate in state-sponsored activities that many times complement Food Export-Midwest and Food Export-Northeast activities.



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Jamie Zmitko-Somers international Program Manager P 517.241.3628 F 517.335.0628 E zmitkoj@michigan.gov Today's global economy is experiencing tremendous growth in consumer processed food and agricultural products. With their ability to quickly and creatively adapt, small- and medium-sized companies are well positioned to take advantage of this growth. In addition, U.S. suppliers are known for quality, safety, innovation, and consistency. These competitive advantages allow U.S. suppliers to capitalize on dynamic market trends and consumer demands. Consider these other BIG reasons to export:

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